John A. Furlong, Bar No. 018356 General Counsel STATE BAR OF ARIZONA 4201 North 24th Street, Suite 200 Phoenix, Arizona 85016-6288 Telephone: (602) 252-4804 John.Furlong@staff.azbar.org IN THE SUPREME COURT STATE OF ARIZONA PETITION TO AMEND RULE

Supreme	Court	No	R-10-	

55(a)(1), ARIZONA RULES OF CIVIL PROCEDURE

Pursuant to Rule 28 of the Rules of the Arizona Supreme Court, the State Bar of Arizona hereby petitions the Supreme Court to amend Rule 55(a)(1) of the Arizona Rules of Civil Procedure to clarify that applications for entry of default must be served on *all* parties, not just the parties against whom default is sought. The current wording of Rule 55(a)(1) conveys the mistaken impression that only certain parties must be served with such applications, too often leading practitioners not to serve the other parties to an action with a copy of those applications. The State Bar believes that this problem can be rectified by adding an additional subsection to Rule 55(a) (shown in Appendix A) reminding the party seeking a default to serve a copy of the default application on all parties who have appeared in a case.

Discussion

Rule 55(a) of the Arizona Rules of Civil Procedure sets forth the procedure for making an application to the clerk for entry of default against a party.

Pursuant to Rule 5(a) of the Arizona Rules of Civil Procedure, the applicant is required to serve a copy of the application on all parties who have appeared in the action. See Ariz. R. Civ. P. 5(a) ("every written motion other than one which may be heard ex parte, and every written notice, . . . demand, . . . and similar paper shall be served upon each of the parties").

Despite Rule 5(a)'s clarity, parties applying for entry of default under Rule 55(a) often fail to send copies of the default papers to the other parties in an action. The State Bar believes this may be the result of the language of Rule 55(a)(1), which painstakingly lists those who are to receive notice on behalf of the party in default. The obvious intent of the Rule is to ensure that any attorney who may be representing that party receives notice, even if that attorney has not made a formal appearance in the matter. Rule 55(a)(1) states:

1) Notice.

- (i) To the Party. When the whereabouts of the party claimed to be in default are known by the party requesting the entry of default, a copy of the application for entry of default shall be mailed to the party claimed to be in default.
- (ii) Represented Party. When a party claimed to be in default is known by the party requesting the entry of default to be represented by an attorney, whether or not that attorney has formally appeared, a copy of the application shall also be sent to the attorney for the party claimed to be in default. Nothing herein shall be construed to create any obligation to undertake any affirmative effort to determine the existence or identity of counsel representing the party claimed to be in default.
- (iii) Whereabouts of Unrepresented Party Unknown. If the whereabouts of a party claimed to be in default are unknown to the party requesting the entry of default and the identity of counsel for that party is also not known to the requesting party, the application for entry of default shall so state.

The State Bar believes that the specificity of this language sometimes leads practitioners and their staffs to overlook the general requirement of Rule 5 to serve these default papers on the other parties who have appeared in the action. Given the rule's detail, it is not hard to imagine a practitioner or staff member thinking that Rule 55(a)(1) provides a complete list of everyone entitled to receive notice of the application for entry of default.

To rectify this problem, the State Bar proposes an amendment to Rule 55(a)(1) to remind practitioners that the specific service requirements in Rule 55(a)(1) are *in addition to* the service requirements of Rule 5, *not in lieu of* the requirements of Rule 5. Specifically, the State Bar suggests that a section be added to the end of Rule 55(a)(1) as follows: "(iv) Other Parties. Nothing in this Rule is to be construed to relieve a party requesting entry of default from the service requirements of Rule 5(a) as to other parties who have appeared in the action."

The State Bar believes that this minor revision to Rule 55 will avoid the problems caused by the current wording of Rule 55 that may be leading attorneys and their staffs to fail to serve a copy of default papers on the other parties who have appeared in the lawsuit. The State Bar therefore requests that this Court amend Rule 55 as detailed in Appendix A to this petition.

RESPECTFULLY SUBMITTED this 29th day of November, 2010

21

15

16

17

18

19

20

22

23

24

25

26

John A. Furlong General Counsel

1	Electronic copy filed with the Clerk
2	of the Supreme Court of Arizona this day of work, 2010.
3	tins <u>4/-</u> day of <u>10002000</u> , 2010.
4	By: Kathleen a. Lundzien
5	By: Counter a, runague
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	

APPENDIX A

Rule 55(a). Application and entry

When a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend as provided by these Rules, the clerk shall enter that party's default in accordance with the procedures set forth below. All requests for entry of default shall be by written application to the clerk of the court in which the matter is pending.

(1) Notice.

- (i) To the Party. When the whereabouts of the party claimed to be in default are known by the party requesting the entry of default, a copy of the application for entry of default shall be mailed to the party claimed to be in default.
- (ii) Represented Party. When a party claimed to be in default is known by the party requesting the entry of default to be represented by an attorney, whether or not that attorney has formally appeared, a copy of the application shall also be sent to the attorney for the party claimed to be in default. Nothing herein shall be construed to create any obligation to undertake any affirmative effort to determine the existence or identity of counsel representing the party claimed to be in default.
- (iii) Whereabouts of Unrepresented Party Unknown. If the whereabouts of a party claimed to be in default are unknown to the party requesting the entry of default and the identity of counsel for that party is also not known to the requesting party, the application for entry of default shall so state.
- (iv) Other Parties. Nothing in this Rule is to be construed to relieve a party requesting entry of default from the service requirements of Rule 5(a) as to other parties who have appeared in the action.